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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/578,329	05/25/2000	William M. Randle	0258100-126392	6339

23570 7590 12/22/2004

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EXAMINER

SNAPP, SANDRA S

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 12/22/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/578,329

Applicant(s)

RANDLE ET AL.

Examiner

Sandra Snapp

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 March 2004.
2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-32 is/are pending in the application.
4a) Of the above claim(s) 16 and 28-32 is/are withdrawn from consideration.
5) ☐ Claim(s) _____ is/are allowed.
6) ☒ Claim(s) 1-15 and 17-28 is/are rejected.
7) ☐ Claim(s) _____ is/are objected to.
8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

This Office Action is in response to an RCE that was filed on 3-22-04. Currently, claims 1-15 and 17-28 are pending in the application. Claims 16 and 29-31 have been cancelled.

Claim Objections

Claims 4, 6 and 17 are objected to because of the following informalities: there are acronyms in the claims that have not been defined in their first use thereof. For example, such acronyms as PIN, ATM, PC, etc. are used in the claims without being clearly defined the first time they are recited. Appropriate correction is required.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

The rejection of claim 9 under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention is repeated.

The rejection of claim 9 is maintained because the phrase "mall merchant" is inconsistent with the previous citations of simply a "merchant."

Claim Rejections - 35 USC § 101

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Claims 1-3, 5, 7-14 and 18-28 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claims 1-3, 5, 7-14 and 18-28 are directed to non-statutory subject matter because they lack any recitation of technology in the body of the claims, which is required in order to meet the statutory requirements. The Patent Office had taken the position that some form of technology must be claimed in the body of the claim. The Board of Patent Appeals and Interferences has stated that claims lacking any technology are “nothing more than [an] abstract idea which is not tied to any technological art and is not a useful art as contemplated by the Constitution.” *Ex parte Bowman*, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) (Unpublished). While it is understood that the Bowman case is not precedential, it is cited herein for its content and reasoning. The Examiner suggests putting some language directed to a computer, or electronic network in the language in the body of the claim to overcome this rejection.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

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(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

Claims 1-15 and 17-28 are rejected under 35 U.S.C. 102(e) as being anticipated by the O'Leary et al. patent (US 6,609,113 B1).

The O'Leary reference discloses a bank centric electronic commerce portal system for effecting a real time transfer of guaranteed funds associated with a customer transaction in a network environment comprising:

an association of banks subscribing to a common rule set in which customers and merchants are associated with their respective banks and in which the banks maintain custody of the funds in the respective customers and merchants accounts at the banks (col. 12, lines 48-65),

a network capable of interconnecting, upon a request from a customer for an interconnection: 1) a customer and its bank, 2) a merchant and its bank, 3) a customer and a merchant and 4) a customer's bank and a merchant's bank with a settlement mechanism (col. 4, lines 38-53),

a vendor mall including at least one site of a merchant for effecting a transaction with the merchant, said mall allowing access by a customer to the at least one merchant for a transaction

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having a defined funds value and being accessible by a customer through a portal in the network associated with the customer's bank (col. 4, lines 38-53),

a network switch linking the mall with the customers banks' and the merchants bank's mechanism (col. 4, lines 38-65),

means in the network switch 1) for receiving a transaction information record from a merchant at the mall comprising at least a customer identification indicia, a transaction funds value, and the merchant identity, 2) for associating customer identification indicia with a customer's bank, 3) for associating a merchant with the merchant's bank, and 4) for transmitting the transaction information record essentially simultaneously to the customer's bank and to the merchant's bank (col. 4, lines 4-21),

a mechanism in the customer's bank whereby upon receipt of the transaction information record, the customer's bank debits funds from the customer's account in the amount of the transaction funds value and separates the funds from the customer's account into a transaction value funds account in a file associated with the merchant's bank (col. 4, lines 54-65),

control means in the network switch to initiate the settlement mechanism on a predetermined interval basis and to effect net settlement of transaction value funds between and among customer banks and merchant banks corresponding to the aggregate net value owing or credited to the respective banks for transactions during the period of the predetermined interval, through one of a Federal Reserve settlement, a private clearing house mechanism, and a settlement mechanism within the network switch (col. 4, lines 4-21 and col. 6, lines 10-12) (Claim 1);

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the customers and their banks are organized in the system in separate bank-centric relationships secured by one or more of a firewall, certificate of authority system and identity authentication system (col. 22, lines 25-31) (Claim 2);

a hot file interposed in the network in a connection between a customer and the customer's bank, the hot file comprising means for screening attempted customer entry attempts and disallowing entry upon the detection of lost or stolen cards or identifications, closed accounts, or other criteria determined by predetermined rules governing customer access parameters (col. 22, lines 25-31) (Claim 3);

an identification system includes one or more of a customer's check, debit card, credit card, smart card or biometric identification, PIN, or combination thereof, issued to the customer upon subscription into the system (col. 21, line 15 through col. 22, line 46) (Claim 4);

a customer's entrance into a vendor mall site is correlated by the customer's bank with a record of the customer's verified identity (col. 22, lines 25-31) (Claim 5);

a verification of the identity of a customer is derived from indicia on one or more of a check, a debit, credit or smart card, biometric identification and PIN (col. 22, lines 25-31) (Claim 6);

upon authentication of a customer's verified identity, a unique digital trace identifier including an identification of the customer's bank is issued to the customer by the customer's bank and the customer's bank maintains a record of the trace identifier issued to the customer (col. 21, lines 45-56) (Claim 7);

including in the vendor mall one of a bank database or look up table that associates the trace identifier with the customer's bank (col. 21, lines 15-56) (Claim 8);

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including in the vendor mall one of a bank database or look up table that associates a bank of record with each mall merchant (col. 22, lines 22-46 and col. 6, lines 52-60) (Claim 9);

the same database or look up table associates the trace identifier with the customer's bank and the bank of record for each merchant (col. 22, lines 22-46) (Claims 10 and 11);

in the event of a customer transaction with a merchant, the merchant prepares a transaction information record recording at least the amount of the transaction, the trace identifier for the customer and the bank of record for the merchant for transmission over the network to the bank of record for the merchant (col. 22, lines 22-46) (Claim 12);

the customer and merchant are associated with the same bank and the transaction is an ON US transaction in which the bank effects a real time transfer of actual funds from customer's account to the merchant's account (col. 22, lines 22-46) (Claim 13);

the transaction information record is transmitted to the network switch connecting customer banks and merchant banks and the network switch transmits to the customer bank a record of the transaction value and customer trace identifier and transmits to the merchant bank a record of the transaction value and the merchant identity (col. 22, lines 22-46) (Claim 14);

a server interconnects a multiplicity of merchants to define the mall in a correspondence with merchant sites and the server 1) is interrelated with the network switch interconnecting customer banks and merchant banks and 2) includes one of a database and look up table for transaction information records and merchant banks (col. 7, line 49 through col. 8, line 5 and col. 6, lines 52-60) (Claim 15);

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access to the system by a customer is effected by a PC terminal, a wired or wireless personal communication device, browser, Web or internet appliance, ATM, or kiosk (col. 5, lines 55-57) (Claim 17);

the value of a transaction is associated with real funds or a credit line (col. 22, lines 22-46) (Claim 18);

a customer transaction is initiated at a physical location of a merchant (col. 22, lines 22-46) (Claim 19);

a customer initiates a transaction at a virtual point of sale at a merchant site at the mall (col. 19, lines 11-55) (Claim 20);

the mechanism in the customer bank to effect a guarantee of good funds in the account in the amount of the transaction value includes a debit authorization and memo-hard post item against a demand deposit account of the user (col. 22, lines 22-46) (Claim 21) or against a credit line of the customer (col. 22, lines 22-46) (Claim 22);

a mailbox accessible through the network and assigned to a merchant or a bank for real time lookup of net accumulated or disbursed funds achieved in transactions (col. 6, lines 28-60) (Claims 23 and 24);

a mechanism in the customer's bank whereby upon receipt of a transaction information record representing the customer's bank acceptance of a customer's non-on-us funds transfer between a payor institution and a depositor institution, the customer's bank sends the funds transfer information to the network switch which routes information to the payor institution associated with the non-on-us funds transfer and to the depositor institution associated with the non-on-us funds transfer, the switch creates a record of the funds transfer, credits the depositor

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institution, debits the payor institution, and transmits the record to the payor institution, the payor institution receives the transaction information, verifies the payor's account balances and puts a hard memo post hold item in the amount of the funds transfer on the payor's account (col. 22, lines 22-46 and col. 6, lines 28-60) (Claim 25);

the mall comprises a virtual private network of a plurality of merchants (col. 19, lines 11-26) (Claim 26);

an interconnection between a merchant's mall site and a distribution center for goods associated with a transaction, in which, upon transmission of the transaction information record, at the time of a transaction with a customer, shipment of the goods of the transaction from the distribution center to the customer is approved (col. 14, lines 32-40) (Claim 27); and

the virtual private network has a third party administrator (col. 2, lines 65-67) (Claim 28).

Response to Arguments

Applicant's arguments filed 3-22-4 have been fully considered but they are moot in view of the new grounds of rejection.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. The Niwa, Nakamura and Rosen patents are directed to various types of electronic commerce systems.

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Sandra Snapp whose telephone number is 703-305-6940. The examiner can normally be reached on Mon.-Thurs.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

SS

November 4, 2004

Sandra Snapp
SANDRA S. SNAPP
PATENT EXAMINER
GROUP 3600